

TGN RO: Q1 2026 Earnings preview

* TGN will release Q1 2026 results on 28 May 2026, followed by an investors' teleconference on June 04.

* We estimate standalone net profit at around RON 382m in Q1 2026, down 16% Y/Y, mainly due to higher D&A expenses and a lower contribution from the inflation-related RAB adjustment. At operating level, we forecast EBITDA at RON 580m, down 4% Y/Y, with EBITDA margin reaching around 63%.

* On the revenues side, we expect regulated transmission revenues to increase 1% Y/Y to RON 915m, consisting of a RON 92m commodity component, up 2% Y/Y, and around RON 823m capacity booking revenues, up 1% Y/Y.

* On the cost side, management guided during the previous investors' call that Tuzla-Podişor IFRS depreciation would start being recognised from Q1'26 onwards, pushing total D&A expenses 27% higher Y/Y to around RON 154m, representing the main drag at EBIT level during the quarter. We estimate grid losses at around RON 49m, up 29% Y/Y due to higher CPT acquisition costs.

* At financial result level, the most important change relates to the inflation adjustment of the RAB, which is now indexed using the inflation assumption embedded in the regulated return framework, namely 3.1%, rather than accumulated realised inflation as previously applied. For Q1'26, we estimate the RAB inflation adjustment at around RON 23m, versus RON 56m in Q1 2025.

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BQ: TGN RO				
Last close	RON 88.4			
52 - Week range	RON 31.6 RON 96.0			
Market cap (m)	RON 16,653		€ 3,265	
P&L Summary (RONm)*				
	Q1'25	Q1'26E	FY'24	FY'25
Revenue	908	915	1,954	2,461
Commodity component	90	92	244	300
% Revenue	10%	10%	12%	12%
Capacity component	817	823	1711	2161
% Revenue	90%	90%	88%	88%
Auction premium	15	6	60	60
Capacity surplus	68	40	154	164
Capacity booking	735	777	1496	1937
Other income	42	46	151	157
Operating revenues**	950	961	2,105	2,618
D&A	122	154	470	493
Staff costs	142	152	627	677
Grid losses&materials	38	49	147	117
Expenses with royalties	104	105	225	283
Maintenance	8	8	59	77
Taxes and duties	21	24	90	121
Other provisions	2	4	-48	4
Receivables impairment	3	2	-17	17
Other OPEX	30	37	212	135
Operating expenses**	470	536	1,764	1,924
EBITDA	602	580	811	1187
EBITDA margin	66%	63%	42%	48%
EBIT	480	425	341	694
EBIT margin	53%	46%	17%	28%
Financial result	60	29	117	243
Net interest	5	6	-1	25
Net FX gains/(losses)	-1	-0	0	-25
RAB inflation adj.	56	23	128	257
Other	-0	-0	-10	-14
EBT	540	454	458	937
EBT margin	59%	50%	23%	38%
Net profit	453	382	392	788
Net profit margin	50%	42%	20%	32%

Source: The Company; * IFRS individual;

** Before balancing and construction activity according to IFRIC12